

ADVISORY OPINION 1999-006

Any advisory opinion rendered by the registry under subsection (1) or (2) of this section may be relied upon only by the person or committee involved in the specific transaction or activity with respect to which the advisory opinion is rendered. KRS 121.135(4).

March 26, 1999

Hon. John C. Fischer
Campbell County Democratic Executive Committee
P.O. Box 1
308 Sixth Ave.
Dayton, Kentucky 41074

Dear Mr. Fischer:

This is in response to your request for an advisory opinion regarding whether a corporation may take out an advertisement in a commemorative magazine published by the Campbell County Democratic Executive Committee ("Campbell Co. DEC") in conjunction with an honorary awards dinner for a local businessman. You indicate that the awards dinner sponsored by the Campbell Co. DEC is also a fundraising event. One of your members has suggested that advertising in the proposed magazine be offered to corporations, which would pay for the advertisements with corporate checks. You ask whether this transaction is permissible.

The Registry previously has opined that corporate sponsorship of fundraising events for executive committees would violate Kentucky campaign finance statutes. See KREF Advisory Opinions 1998-009 and 1994-015 (regarding corporate sponsorship of golf holes for a fundraiser). Section 150 of the Kentucky Constitution prohibits a corporation from giving money or anything of value to be used to influence the result of an election. KRS 121.035(1) provides in pertinent part:

No corporation organized or authorized to do business in this state or in another state shall ... subscribe, give, procure or furnish, or afterwards reimburse or compensate in any way any person who has subscribed, given, procured, or furnished, any money, privilege, favor, or any other thing of value to any political

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or quasi-political organization, or any officer or member thereof, to be used by such organization for the purpose of aiding, assisting, or advancing any candidate for public office in this state in any way whatever.

An executive committee exists primarily to support candidates for public office, and proceeds from fundraising events sponsored by an executive committee are used for the purpose of advancing candidates for public office. Under KRS 121.035(1), corporations may not subsidize favors, such as a commemorative magazine, or any other things of value distributed to contributors at a fundraising event. As such, acceptance of corporate funds for the transaction proposed by your letter would violate the foregoing statute and KRS 121.150(22), which prohibits an executive committee from accepting a contribution, either directly or indirectly, from a corporation.

Therefore, under the circumstances presented by your letter, the Campbell Co. DEC may not sell advertising space in a commemorative magazine to corporations, as such a transaction would violate KRS 121.035(1) and KRS 121.150(22). If you have any additional questions, do not hesitate to contact the Registry staff.

Sincerely,

Rosemary F. Center
General Counsel

RFC/jh